

GOVERNMENT OF TELANGANA
ABSTRACT

ITE&C Department - Mobile Manufacturing Policy of Industries & Commerce Department - Incentives - Sanction and Release of an amount of Rs.1,25,00,000/- (Rupees One Crore Twenty Five Lakhs only) in favour of M/s Bhagwati Products Limited, Hyderabad towards Reimbursement of Interest Subsidy, Stamp Duty, Power Cost - Orders - Issued.

**INFORMATION TECHNOLOGY, ELECTRONICS & COMMUNICATIONS (Electronics)
DEPARTMENT**

G.O.Rt.No. 54

Dated: 15-03-2019
Read the following:

1. G.O.Ms.No.28, Industries & Commerce (IP) Department Dt:29.11.2014.
2. G.O.Ms.No.70, Industries & Commerce (IP) Department Dt:29.09.2015.
3. G.O.Ms.No.71, Industries & Commerce (IP) Department Dt:29.09.2015.
4. G.O.Rt.No.38, ITE&C Department, Dt:15.03.2018.
5. Lr.No. COI/516/IMO/SIA/2016, Dt:16.05.2018 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
6. Lr.No. COI/516/IMO/SIA/2016, Dt:16.05.2018 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
7. Lr.No.COI/INC2018092631149, Dt:19.10.2018 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
8. Lr.No.COI/INC2018092631149, Dt:19.10.2018 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
9. Lr.No. COI/516/IMO/SIA/2016, Dt:28.02.2018 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
10. Letter from M/s Bhagwati Products Limited, Dt:17.01.2019.
11. G.O.Rt.No.231, Finance (EBS.I) Department dt:01.03.2019.
12. U.O.Note.No.69733/ITE&C/Budget/2018, dt:05.03.2019.

ORDER:

In the reference 2nd read above, orders have been issued on the Mobile Manufacturing Policy by the Industries & Commerce (IP) Department. As per the said G.O., the Mobile Manufacturing Companies are eligible for reimbursement of Interest Subsidy, Investment Subsidy, Power Cost for a period of 5 years from the date of commencement of production for products made and sold in the State.

2. Further, in the reference 3rd read above, the Industries & Commerce (IP) Department have issued orders allotting 18.669 acres of land at Fabcity (Ecity) in the Electronics Manufacturing Cluster (EMC) on cost basis and offering other incentives to M/s Bhagwati Products Limited (Micromax) for setting up manufacturing of Mobile Phone Instruments and its accessories.

3. In pursuance of orders issued in the references 2nd and 3rd read above, M/s Bhagwati Products Limited, Hyderabad has submitted applications to Industries and Commerce Dept. for claiming reimbursement of Interest Subsidy, Stamp Duty, Power Cost. All the applications have been thoroughly scrutinized by the Commissioner of Industries and approved it. The said applications were placed in the 21st, 25th and 33rd SLC meeting and SLC has recommended for reimbursement of Interest Subsidy, Stamp Duty, Power Cost to M/s Bhagwati Products Limited, Hyderabad.

4. In the 5th read above, the Additional Director, Commissioner of Industries, has informed to the company that they have sanctioned the reimbursement of interest subsidy under pavalu Vaddi Scheme for an amount of Rs.32,56,513/- to the captioned unit for the period 1st H.Y. 2017-18 under the scheme of T-IDEA.

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5. In the reference 6th read above, the Additional Director, Commissioner of Industries, has informed to the company that they have sanctioned an amount of Rs.7,51,703/- towards reimbursement of Power Cost for the period 1st H.Y. of 2017-18 under the scheme of T-IDEA.

6. In the reference 7th read above, the Additional Director, Commissioner of Industries, has informed to the company that they have sanctioned the reimbursement of interest subsidy under pavala Vaddi Scheme for an amount of Rs.27,21,196/- to the captioned unit for the period 2nd H.Y. 2017-18 under the scheme of T-IDEA.

7. In the reference 8th read above, the Additional Director, Commissioner of Industries, has informed to the company that they have sanctioned an amount of Rs.5,05,969/- towards reimbursement of Power Cost for the period 2nd H.Y. of 2017-18 under the scheme of T-IDEA.

8. In the reference 9th read above, the Additional Director, Commissioner of Industries, has informed to the company that they have sanctioned an amount of Rs.17,18,130/- towards reimbursement of Mortgage Duty (Stamp) Subsidy under the scheme of T-IDEA.

9. In the reference 10th read above, as a first installment an amount of Rs.4,28,60,602/- to be released out of which Rs.3,90,00,000/- was already released vide reference 4th read above and balance amount of Rs.38,60,602/- is now released.

10. As such, from the letters in the references 5th to 10th read above, the amount to be reimbursed to M/s. Bhagwati is as mentioned below:-

SL.No.	Incentive	Amount in Rs.
1	Power cost (7,51,703+5,05,969)	12,57,672
2	Interest subsidy (32,56,513+27,21,196)	59,77,709
3	Stamp Duty	17,18,130
4	2 nd installment (4,28,60,602+3,90,00,000)	38,60,602
	Total:	1,28,14,113

11. The total amount for all subsidies comes to Rs.1,28,14,113/- in respect of M/s Bhagwati products Limited which is a Mega Unit.

12. It has been decided that the said amount has to be paid by the ITE&C Dept budget from the Subsidies Head of Account and then the same will be reimbursed from the I&C Department.

13. In the G.O. 10th read above, the Finance Department has released BRO to ITE&C Dept for the 3rd quarter for the Financial Year 2018-19 under the Head of Account:330 - Subsidies for an amount of Rs.1.25 crores.

14. In view of the recommendations of SLC Meeting and after careful examination, Government hereby sanction and release an amount of Rs.1,25,00,000/- (Rupees One Crore Twenty Five Lakhs only) in favour of M/s Bhagwati Products Limited, Hyderabad towards reimbursement of Interest Subsidy, Stamp Duty, Power Cost. The balance of Rs.3,14,113/- will be released during the ensuing budget of 2019-20.

15. The amount sanctioned in Para.14 above shall be debited to the following Head of Account:

3451	: Secretariat Economic Services
MH 090	: Secretariat
GH (25)	: State Sector Schemes
SH (22)	: ITE&C Department
330	: Subsidies

16. The Assistant Secretary to Government & D.D.O., ITE&C Department shall draw the amount of Rs.1,25,00,000/- (Rupees One Crore Twenty Five Lakhs only) sanctioned in Para 14 above and arrange for payment duly applying the TDS in favour of M/s Bhagwati Products Limited, Hyderabad.

17. M/s Bhagwati Products Limited, Hyderabad shall submit an advance stamped receipt for Rs.1,25,00,000/- (Rupees One Crore Twenty Five Lakhs only) to this Department in duplicate.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

JAYESH RANJAN
PRINCIPAL SECRETARY TO GOVERNMENT

To
M/s Bhagwati Products Limited, Hyderabad.
The Industries and Commerce Department.
The Commissioner of Industries, Hyderabad.
The VC & MD, TSIIIC Ltd, Hyderabad.
The Accountant General (Audit), Telangana, Hyderabad.
The Accountant General (A&E), Telangana, Hyderabad.
The Director of Treasuries and Accounts, Telangana, Hyderabad.
The District Treasury Officer, Urban, Hyderabad.
The Pay and Accounts Officer, Telangana, Hyderabad.
The Resident Audit Officer O/o Pay and Accounts Officer, Telangana, Hyderabad.
The Assistant Secretary to Government & DDO, ITE&C Department.

Copy to:
Finance (EBS.I) Department.
SF/Spare

// FORWARDED :: BY ORDER //

SECTION OFFICER